# FISCAL NOTE

### HB 2914 - SB 3147

January 25, 2008

**SUMMARY OF BILL:** Adds new definition for commercial breeder as it relates to the trade of dogs and cats. Requires commercial breeders to apply for and receive business licenses from the locality in which the dealer is located for business purposes; to cooperate with inspections by animal control officers; to create a fire emergency plan and install fire safety measures; to maintain specific records; to dispose of dead animals and confined waste in accordance with law; and to maintain no more than fifty (50) adult dogs at one time.

#### **ESTIMATED FISCAL IMPACT:**

Increase State Revenue - \$31,300 Increase State Expenditures - \$5,000 / One-Time \$96,000 / Recurring

# Increase Local Gov't. Expenditures - Not Significant

### Assumptions:

- "Commercial breeder" means a dealer who maintains twenty (20) or more unsterilized adult females for commercial breeding purposes.
- According to the Department of Agriculture (DOA), commercial breeders fall under the department's jurisdiction when they sell more than 25 animals wholesale (for resale).
- The intent of this bill is to regulate dealers who maintain 20 or more unsterilized adult females and sell either for resale or to the final customer at retail.
- DOA estimates an additional 125 dealers would be required to pay state licensing fees and be subject to departmental regulation.
- Current state licensing fee is \$250.
- The increase to state revenue is estimated to be \$31,300 (125 additional dealers x \$250 licensing fee = \$31,250) per year.
- According to DOA, this bill would require additional annual inspections for dealers that sell directly to the final customer. As a result, the department would require two (2) additional Health Technicians.

- The recurring increase to state expenditures for the two additional positions is estimated to be \$96,000 per year (\$71,000 for salary and benefits; \$19,000 for travel; \$6,000 supplies, communications, etc.).
- The one-time increase of state expenditures related to the two additional positions is estimated to be of \$5,000 (for computers and software).
- According to the Municipal Technical Assistance Service (MTAS), the majority of local governments already have a business licensing system in place. Therefore, any increase to local government expenditures for additional local government licensing requirements as proposed in this bill is estimated to be not significant.
- This bill requires any business meeting the proposed definition of commercial breeder to adhere to additional regulation.

# **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James W. White, Executive Director

/rnc